



# FISCAL YEAR 2023 BUDGET REVIEW: MISSED OPPORTUNITY TO PUT AMERICA FIRST

The recently released budget from the Biden Administration is misaligned with the priorities of the American people, including more government spending in a time of 40-year-high inflation and high energy prices. Instead of embracing freedom and equality, the budget embraces a bigger government, equity, and social justice. Below, please find policy analysis from the America First Policy Institute's policy experts highlighting some key takeaways from the proposed FY23 budget.

## A BUDGET THAT MISSES AN OPPORTUNITY TO DRIVE ECONOMIC PROSPERITY AND SUPPORT HARDWORKING AMERICANS

- ***Builds on Backwards Budgeting:*** President Biden's FY23 budget offers more big-government socialism policies. The administration touts the fact that the budget calls for a slight (7%) reduction in the budget deficit, but there is a right way and a wrong way to tackle the deficit. Instead of increasing taxes by \$2.5 trillion (equivalent to \$7,700 per person in the U.S.), the president should *cut spending* by \$2.5 trillion. Instead of increasing spending by \$1.4 trillion, he should *cut taxes* by \$1.4 trillion. The result of the alternative approach to the Biden Administration budget would be a 7% deficit reduction via smaller government and a lighter tax burden that is more conducive to economic growth and rewarding hardworking Americans.
- ***Advances \$1 Trillion Deficits as Far as the Eye Can See:*** Despite his call to trim the deficit, President Biden proposes that the federal budget deficit should exceed \$1 trillion every year for the foreseeable future and average 4.7% of gross domestic product (GDP). Since 1930, the deficit has equaled or exceeded 4.7% of GDP on only 19 occasions—typically during a time of national crisis. These continued deficits show an inability to prioritize the most important key objectives for the American people, like national defense and border security, and instead, seek favor with nearly every interest group.
- ***Rests on Unrealistic Economic Assumptions:*** With inflation running at a 40-year high of 7.9%, the administration's budget assumes inflation of 4.7% this year and 2.3% next year and every year thereafter. And with the Federal Reserve raising interest rates in the face of high inflation, the FY23 budget assumes interest rates on Treasury securities remain comfortably low indefinitely.
- ***Fails to Generate Robust Economic Growth:*** Even assuming all the president's policies are adopted, the administration forecasts tepid economic growth, topping out at little more than 2%, indefinitely. The administration should offer policies to boost long-run economic growth to lift all Americans economically, including the long-overlooked. America can do better than 2% economic growth; Americans deserve true economic prosperity.
- ***Allots Small Business Funds Based on Race and Gender:*** Increases the targeted funding for entrepreneurs of certain demographics by \$31 million. When the federal government gives special classes of people specific funds, it picks winners

and losers based on race or gender and is not putting *all* Americans first. These groups do not need a special budget line item to succeed; they need a government that gets out of the way and an economic environment that embraces [free-market capitalism](#).

- ***Focuses on Climate Change Instead of Economic Growth:*** The president's budget provides \$10 million in additional funds for small businesses to be more "resilient to climate change." Small business owners do not need to be pawns for the climate agenda. By wasting money on these projects, investments are driven away from more profitable ventures, where they should be allocated.
- ***Uses Taxpayer Funds to Artificially Replace Fossil Fuel Jobs:*** The Biden Administration seeks to replace fossil fuels with green energy. This would cause a significant number of jobs to be eliminated. To compensate, the Biden Administration would use taxpayer funds to create "green" jobs for those who lost theirs due to the Biden Administration's anti-traditional energy policies. Instead of attempting to end fossil fuels, the United States should have a policy that embraces all energy sources and rewards American energy innovation.
- ***Risks Higher Inflation with Massive Spending Plan:*** This plan massively increases spending in every cabinet agency, which will likely cause the "inflation tax" on the wages of American workers to skyrocket further. The government needs to cut spending to begin to climb out of our \$30T debt.

## **A BUDGET THAT INCENTIVIZES HUMAN TRAFFICKING, PROLONGS THE BORDER CRISIS, AND PRIORITIZES ILLEGAL ALIENS OVER AMERICAN CITIZENS**

- ***Pays the Legal Fees of Illegal Aliens:*** The budget provides \$4.5 billion in mandatory funding over 10 years to provide legal defense for immigrants facing removal. In practice, the federal government is potentially providing legal representation for criminal aliens who are slated to be deported from our country.
- ***Cripples ICE:*** In addition to a \$150 million cut to Immigration and Customs Enforcement (ICE), the budget is requesting 11,000 fewer detention beds—from [34,000 to 25,000](#). This will make it significantly harder for ICE to conduct removals as holding capacity is diminished. This is a not-so-subtle way of eliminating ICE and increases the likelihood that illegal aliens are released into communities across the Nation.
- ***The Wall Stays Unbuilt:*** The FY23 budget allocates only \$19 million for border fencing and other border infrastructure, which is a vast mismatch given the continued need for an effective border wall system along portions of the border. Meanwhile, the \$350 million in purchased border barriers for wall construction continues to rust. There are no plans to use the allocated \$1.9 billion from the FY22 omnibus appropriations bill that maintained border wall funding and instead will be used for activities like [cutting down brush](#) around the border.
- ***Focuses Immigration Review on Being "Equitable:"*** Given recent announcements by the Department of Justice (DOJ) and the Department of Homeland Security (DHS) regarding the need to make the immigration system "fairer and more equitable," we know funneling more money into Immigration courts is an attempt to subvert existing law and allow politics to drive immigration-related adjudication. This will allow political leaders to process claims without a thorough review, possibly granting dangerous criminals status to remain in the United States. The proposed budget doubles funding for the Executive Office for Immigration Review, with \$1.4 billion dedicated to immigration courts and another \$150 million being spent on federal legal representation of non-citizens to expedite cases. The administration is advancing the narrative that there is an eminent need

to clear the backlog of cases, but they are really trying to advance their political agenda before Congress can respond with oversight.

- ***Recklessly and Dangerously Expedites Asylum Claims:*** The budget proposes a 700% increase to the U.S. Citizenship and Immigration Services (USCIS). Currently, approximately 70% of asylum applications are deemed to be unmeritorious. Couple this with recent guidance from DOJ and DHS that asylum claims do not have to go before Immigration Judges but rather before asylum officers at USCIS, resulting in a dramatic spike in immigrants coming into the U.S. with little to no scrutiny. The Biden Administration is simply trying to resolve its capacity issue by releasing countless improperly vetted people into communities across the Nation.
- ***Does Not Adequately Support the Border Patrol:*** Amidst the worst border crisis in our history, and Border Patrol continually apprehending more than [150,000 illegal aliens each month](#)- funds are allocated to hire only another 300 agents—less than a 1% increase.
- ***Fails to Uphold Policies that Secure the Border, Snubs the Courts:*** There are no funds allocated to the effective Migrant Protection Protocols (“Remain in Mexico” policy), which required asylum seekers to remain in Mexico during the duration of their proceeds, despite a court order that Biden’s DHS must re-implement them.

## **A BUDGET THAT MISSES THE MARK FOR EDUCATION OPPORTUNITY**

- ***Continues the Federal Take Over of Education:*** The Biden Administration’s FY 23 Budget requests \$88.3 billion in discretionary spending for the Department of Education, an \$11.9 billion increase over the FY 2022 enacted amount of \$76.4 billion. This is in addition to the \$180 billion in federal relief COVID-19 funding Congress appropriated to assist states in reopening schools and addressing achievement losses for students. There is little accountability for these investments, and student test scores indicate significant learning loss. Rather than taking money from the taxpayer and spending it in a one-size-fits-all approach and a radical education agenda, the American people would be better suited if the states remained in control.
- ***Misses the Mark for Helping Low-Income Students:*** The Biden Administration FY23 budget more than doubles the Title I funding allocated for states. The purpose of Title I funds is to assist schools serving a many students in poverty. Without the long-overdue reforms needed to help bring accountability and greater parental choice, a money-only approach does nothing to reverse the decline in education outcomes for the most vulnerable students.
- ***Stalls Progress on Advancing School Choice Policies:*** During the 2020-2021 school year, there was a 7% increase in charter school enrollment, and, to date, 79 bills seeking to expand parents’ rights in schools have been pre-filed or introduced in 26 states. In a year where parents have been clamoring to help get access to a quality education for their children, the Biden Administration Budget does not reference parents or any school choice expansion efforts.
- ***One BILLION Dollars to Double Health Professionals:*** The proposed spending plan includes \$1 billion for new school-based health professionals, counselors, social workers, and nurses. The public school system already employs over 3.2 million full-time teachers and over 90,850 school principals nationwide. From 1999 to 2019 there was a 45.5% increase in school administrators. Providing mental health support helps students receive needed services, but there is no need to add one billion dollars to pay for more adults in public education when there are already funded professionals in the community. Collaborations with community mental

health providers and the host schools can support the mental health needs of students and families while also not double paying for an already provided service.

## A BUDGET THAT PRIORITIZES “RACIAL EQUITY” OVER SAFE COMMUNITIES

- **Focuses on “Racial Equity,” not Justice:** Spends \$367 million on “police reform, the prosecution of hate crimes, enforcement of voting rights, and efforts to provide equitable access to justice,” all to address “[long-standing inequities](#)” in the criminal justice system. These priorities put racial equity goals ahead of safe communities and will further tie the hands of law enforcement and prevent them from making America’s communities safe. As one example, such efforts to achieve “equity” in the city of New York resulted in a [significant spike in violent crime](#). There cannot be disparities in the criminal justice system; priorities must reflect equal justice for all.
- **Boosts “Domestic Terrorism” Funding While Eyeing Political Opposition:** Boosts domestic terrorism investigations by \$33 million despite the potential to use such tools to target individuals and groups who disagree with the administration’s agenda, such as parents at school board meetings. DHS has also used terrorism-related language when describing those who have concerns over election fraud or questioning the established narrative on COVID-19.
- **Provides Too Little Too Late for Law Enforcement:** Invests \$17.4 billion to combat violent crime and another \$3.2 billion in discretionary resources for state and local grants to support law enforcement, crime prevention, and community violence intervention. In addition, this investment comes as liberals across the country have embraced derisive rhetoric on law enforcement and a “Defund the Police” principle, and after a crime epidemic has plagued our Nation, including 12 cities that broke their annual homicide rates. Spending more federal money while liberal leaders in local communities continue to try to defund the police subsidizes bad behavior.

## A BUDGET THAT UNDERMINES AMERICAN VALUES

- **Abandons the Great American Principle of Equality and Instead Worships at the Altar of Equity:** The main budget document uses the word “equity” 75 times, “equitable” 38 times, “diverse” or “diversity” 16 times, and “inclusion” or “inclusive” 18 times. Comparatively, the budget uses the word “equal” or “equality” only 16 times, “freedom” just three times, “liberties” once, and does not include “liberty,” “Constitution,” or “constitutional rights.”
- **Bolsters Big Government Control Over Second Amendment Embracing Citizens:** The Budget includes \$17.4 billion, a \$1.7 billion increase—13% over the FY22 enacted level—for the Bureau of Alcohol, Tobacco, Firearms, and Explosives (ATF) to enforce new rules created without Congress’s approval, and existing gun laws that infringe on American gun owner’s Second Amendment rights. This funding would include hiring more than 140 new agents, intel analysts, and other personnel; hiring an additional 160 new investigators to carry out a flawed zero-tolerance policy against gun dealers and manufacturers for minor errors, including ones that may not even be their fault.
- **Erodes Religious Liberty Protections in Healthcare:** The administration’s FY23 Budget eliminates the Department of Health and Human Services (HHS) Office of Civil Rights Conscience and Religious Freedom Division, which is tasked with making sure that all HHS regulations are in line with religious liberty protections and privacy laws. The Biden Administration must make religious liberty protections

a priority and reinstate the mechanisms for ensuring religious liberty protections in healthcare policy through the Department of Civil Rights.

- **Spends Millions of Dollars for “Racial Justice” in the Great Outdoors:** The budget calls for \$48 million to “build a more equitable national parks system” and “tell the story of historically underrepresented and marginalized groups.” The left needs to stop looking for racism at every turn, even in the great outdoors, and instead, bring us together by putting ALL Americans first.
- **Expands Mail-In Ballots on the Taxpayer Dime:** The budget moves to incentivize and expand mail-in ballots. The proposal allocates \$5 billion for the 2023-2032 time period toward subsidizing official ballot materials for the purpose of making them free to mail while enhancing the Postal Service’s work in underserved areas. Mail-in ballots are [shown](#) to cause voter skepticism, an opportunity for fraud, and decreased transparency.
- **Proposes Expensive Solutions to Incorrectly Identified Election Integrity Problems:** The budget allocates \$10 billion in 2023, to be expended over 10 years through grants administered by the Election Assistance Commission (EAC), to fund measures securing elections. The vagueness of the language of regulation around these grants is concerning. Additionally, the EAC has received significant allocation in the past and has not solved [underlying election integrity issues](#). The issues plaguing election integrity in the past decade have not had to do with a lack of knowledge and data but rather either a failure to execute sound policy or states ignoring existing law in consideration of ‘emergency’ measures.
- **Politicizes Election-Related Grants to States:** The budget allots \$250 million through September 30, 2024, for grants to states on a competitive basis for projects that the Biden Administration deems will have a significant impact on the improvement of the administration of federal elections. Some of the qualifying items are controversial, such as vote by mail. Since the Biden Administration is the decision-maker in which states qualify for these competitive grants, there is an opportunity for unequal distribution of these grants based on the election reforms the state has passed. This proposed funding also comes at a time when states have record budget surpluses of their own.

## A BUDGET THAT PRIORITIZES BUREAUCRACY OVER FREEDOM & OPPORTUNITY

- **Boosts Federal Bureaucrat’s Already-Inflated Pay:** The Biden Administration proposes increasing federal employee pay by 4.6%, and this pay raise will automatically become law unless Congress rejects it. Federal employees already make 17% more than comparable private-sector workers. Instead, the government should be bringing bureaucrats’ pay in line with what they would earn in the private sector.
- **82,000 more Federal Bureaucrats:** The budget calls for a federal hiring surge that would expand the civil service by 82,000 positions. This would further increase Washington’s already bloated bureaucracy. The federal workforce should instead be reduced by 10% through attrition, operating more efficiently for the American people.
- **Bloats the Bureaucracy Instead of Empowering Individuals and Families:** The Biden Administration requests \$71.9 billion in discretionary funding for the Department of Housing and Urban Development, a \$12.3 billion or 21% increase from the 2021 enacted level. This increased spending would provide additional funding for homelessness programs, housing welfare programs, and increased regulatory barriers to the housing industry. Rather than simply increasing spending, the Biden Administration should focus on pulling the federal

government back and letting the free market, families, and local communities respond to America's needs.

- **Funds Additional Regulation:** The budget proposes \$86 million in grants to regulate the housing industry further and strip local communities of their governing autonomy, particularly by reinstating the Obama-era Affirmatively Furthering Fair Housing mandate, which requires localities to track their diversity measures through a cumbersome reporting process. This will only continue to drive up the cost of housing and increase the size and scope of the federal government, all in the name of radical social experimentation.
- **More Problems, More Spending:** The FY23 budget proposes a \$580 million increase in homelessness spending, even though more spending has done nothing to help the problem. Instead of throwing more money at the homeless, the Biden Administration should focus on the key causes of homelessness: drug abuse and mental illness.

### A BUDGET THAT PUTS A KEY NATIONAL SECURITY PRIORITY LAST

- **Shortchanges Our Nation's Defense:** Biden's budget request is inadequate misaligned in its priorities, and so falls short in ~~to~~-equipping our Nation to protect Americans and deter adversaries. While the administration touts the \$813 billion as a record increase, such an increase does not factor in today's record inflation. In addition, the budget should better prioritize China as our Nation's top strategic threat by focusing on needed defense investments – particularly nuclear capabilities and strengthening our naval fleet, both of which would experience cuts under this budget.
- **Subsumes American Interests below Multilateral Commitments and Unrelated Initiatives:** The Biden Administration promises-intends to send more hard-earned American taxpayer money abroad in support of empty, unenforceable international promises—requesting a staggering \$11 billion to support the president's pledge to quadruple international climate finance, including \$1.6 billion for the Green Climate Fund. The budget also includes a 14% increase in the Department of State and the United States Agency for International Development budgets, including \$4 billion toward international organizations under the banner of “affirming U.S. alliances,” with little transparency into how those organizations help us advance our priorities, and more than \$2 billion to address the climate. Allocating such large sums without accountability or visibility into their effectiveness, particularly amid today's inflationary environment, distracts from rather than helps defend our Nation at one of the most vulnerable moments in its recent history.

### A BUDGET THAT ERODES ENERGY INDEPENDENCE & JEOPARDIZES LOW COST AND RELIABLE ENERGY

- **Prioritizes Costly Climate Activism Amidst Rampant Inflation:** The president's budget keeps the Biden Administration's sweeping climate agenda front and center. Instead of addressing the challenges facing Americans (like higher energy prices), the president's budget proposes more government spending and greater levels of federal oversight of energy markets—with \$44.9 billion for its climate agenda, a \$16.7 billion (60%) increase from FY2021.
- **Jeopardizes American Energy Independence:** Where Obama-era climate commitments were projected to cost the U.S. economy 2.7 million jobs by 2025 and as much as 6% of the United States' GDP annually by the 2030s, the Biden

Administration would double climate targets, exponentially increasing the economic and energy independence costs, which would hurt American families and workers.

- ***Punishes Fossil Fuel Production, Which Hurts Americans at the Fuel Pump:*** The president's FY23 budget request levies extensive tax hikes on the fossil fuel industry through eleven targeted measures, including eliminating tax breaks, not to mention corporate tax hikes. This all undermines the administration's own calls for domestic production to ramp up and risks compounding economic woes by threatening fossil industry employment, future investment, and the hopes of lower energy prices from small businesses and American families.

## **A BUDGET THAT FAILS TO DELIVER BETTER HEALTH CARE, MORE CHOICE, AND LOWER COSTS**

- ***Fails to Address the Pending Medicare Part A Insolvency:*** The Biden Administration's FY23 budget does nothing to ensure the health and financial security of future generations. Medicare Part A is predicted to go broke by 2026 by the Congressional Budget Office, and Social Security is projected to be unable to cover full benefits by 2034. These programs should be shored up to ensure reliability for the Seniors who depend on them.
- ***Adds More Money to the CDC Despite a Fledgling Response:*** The FY23 budget from the Biden Administration gives \$9.9 billion of discretionary funding to build capacity at the Centers for Disease Control and Prevention (CDC) and at state and local levels. This is a \$2.8 billion increase over the 2021 enacted level. It is proposed despite decreasing trust amongst the American people about what the CDC has said about COVID-19 during the course of the pandemic—with polling demonstrating trust declining from 69% in April 2020 to 44% in January 2022. Rather than a blank check, a better approach would be to restore confidence and enhance pandemic preparedness through the wise utilization of public health dollars and the empowerment of individuals and families with accurate information and freedom to make personal health decisions.
- ***Adds Burdens on Physicians and Nurses & Prioritizes Racial Politics Over Patients:*** The budget gives \$470 million to "implement implicit bias training for health care providers," among other initiatives to advance politically correct notions of health equity. Healthcare providers are already overburdened by excessive government regulation, with some doctors spending nearly half their workday on recordkeeping and administrative deskwork. Further, 54% of U.S. doctors report at least one symptom of burnout. America First policies support the doctor-patient relationship and seek to lessen the bureaucratic burdens to allow clinicians to return their focus to caring for patients. The Biden Administration's budget promises \$470 million to support maternal health—but a major facet of that funding will go to "implicit bias training" for healthcare providers. The American taxpayer should not be funding racial propaganda, and money that is meant for mothers should not be used to push Far-Left racist ideologies.
- ***Ignores the Dignity for Life and the Health of All Women:*** The Biden Administration's FY23 budget adds \$400 million, a 40% increase from the 2021 enacted level, to the Title X Family Planning program. This federal program provides birth control, family planning services, and abortion access to low-income women. The proposed funding increase comes after the Biden Administration broadened abortion access in Title X after the Trump Administration's restrictions. Abortion not only kills one life but is also consistently associated with elevated levels of mental illness in women. The policies to expand abortion access for low-

income women come from an Administration whose Supreme Court Nominee [is unable to define a woman](#). Better care for Americans ensures the protection of women and life.

- ***Makes Gun Violence a Public Health Epidemic:*** HHS' budget proposes to invest in community violence intervention and firearm safety research to "address gun violence as a public health epidemic." The dollar amount for this investment is undisclosed. With [growing crime rates](#) in the U.S., policies should stay focused on addressing root causes and seeking to restore law and order in American communities. If everything is an epidemic, nothing is an epidemic. HHS should prioritize ending the currently declared public health emergencies—including COVID-19 and the opioid epidemic.